

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House  
(317) 232-9855

**FISCAL IMPACT STATEMENT**

**LS 6133**

**BILL NUMBER: HB 1171**

**DATE PREPARED:** Dec 11, 2000

**BILL AMENDED:**

**SUBJECT:** Motor Vehicle Registration and License Plates.

**FISCAL ANALYST:** James Sperlik

**PHONE NUMBER:** 232-9866

**FUNDS AFFECTED:**     **GENERAL**  
                              **X DEDICATED**  
                              **FEDERAL**

**IMPACT:** State

**Summary of Legislation:** This bill allows for cross-county vehicle registration in any year. It deletes provisions referring to permanent license plates as being made of metal. The bill also makes conforming changes. (The introduced version of this bill was prepared by the Interim Study Committee on Bureau of Motor Vehicle Issues.)

**Effective Date:** January 1, 2002.

**Explanation of State Expenditures:** The specific fiscal impact will depend upon the extent to which customers of the Bureau of Motor Vehicles (BMV) utilize the new option contained in this bill. Under the assumptions described below, the annual net costs are estimated to be \$19,000 during sticker years and \$95,000 in plate years. First year start-up costs are estimated to be \$90,500.

*Background:* Currently, customers are able to renew license plates (stickers only) at any self-service terminal in the state, except in plate years when the customer would be issued a new license plate by the BMV. It is assumed in this analysis that any customer who renews a license plate in a different county will receive a temporary plate. The county-designated license plate will be issued and mailed from a central office in Marion county. Temporary license plates cost \$.47 each. Mailing costs for one plate are assumed to be \$1.22 with mailing charges of \$1.50 per plate.

The fiscal impact is based on an initial order of 150,000 temporary plates, with 100,000 additional temporary plates each sticker year and 500,000 in a plate year (which occurs every five years). The next plate year is 2003. The estimated fiscal impact of this proposal is described in the tables below:

Start-Up Costs

Computer Changes In-House	\$20,000
<u>Temporary Plates</u>	<u>\$70,500</u>
Total	\$90,500

<u>Annual On-Going Costs</u>	<u>Sticker Years</u>	<u>Plate Years</u>
Temporary Plates	\$47,000	\$235,000
Mailing	\$122,000	\$610,000
<u>Mailing Charges</u>	<u>(\$150,000)</u>	<u>(\$750,000)</u>
Total	\$19,000	\$95,000

IC 9-29-3-19 allows the BMV to adopt rules to impose or change service charges. Also, IAC 8-3-2 provides authority for the BMV to charge for the mailing or processing of a license plate registration form in the amount of \$1.50 per plate. Any mailing costs associated with this proposal is assumed to be an item for which the BMV could charge.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:** Bureau of Motor Vehicles.

**Local Agencies Affected:**

**Information Sources:** Jane Morrical, Director of Treasury for the Bureau of Motor Vehicles, 232-2822; Melanie Schwartz, Deputy Commissioner and Director of Vehicle Services for the BMV, 233-1218.